

mobilization behind the modernization drive; his allies such as *People's Daily* editor-in-chief Hu Chi-wei have progressively escalated their polemics against Maoism while generally holding back from direct attacks on Mao himself.

In foreign policy, the picture is far worse, and certain to rebound against the domestic modernization effort. Relying on the most overtly racist foreign policy approach in the world outside Great Britain — the Han Chauvinist doctrine of Chinese superiority over the “barbarians” — the Chinese have allied with the forces in today's world most opposed to industrialization of the underdeveloped world, from the British drug-running networks in Hong Kong to the oligarchist forces in Great Britain (which is negotiating to supply modern arms to the Chinese) to the architects and supporters of the Carter Administration's “Camp David” and “China card” policies.

Moreover, there are signs that the Teng leadership may lack some of the understanding of basic economic planning and methods needed to accomplish the modernization goals it has set.

A formidable challenge

Even a more farsighted leadership than Teng's would find itself confronted by formidable challenges in the effort to modernize China. To begin with, there is the baleful legacy of Mao's last 10 years in power, from 1966-76, a period in which Mao's unleashing of mass anarchy and virtual civil war for arbitrary factional purposes created animosities within the population that will not die out for generations. The most concentrated expression of this destructive process is the top-level faction fight between the forces led by the twice purged and twice restored Teng Hsiao-ping, and those Politburo members, led by Mao's security chief Wang Tung-hsing, who owe their careers and political legitimacy to this very post-1966 period. For the latter, every attack on Maoism undermines their claim to retain their posts. Since millions of Communist Party cadres were purged between 1966 and 1969 by the Maoists, and since half the Party was admitted after 1966, there is a huge organic constituency with a stake in slowing de-Maoization. Meanwhile, the now rehabilitated former party leaders want their old positions back, virtually pitting the “old” party against the “new” party at every stratum down to the village level.

Moreover, the wall posters demonstrated (see excerpts page 13) that many Chinese want to completely repudiate Mao, at least after 1957, which is much farther than even Teng can afford to go without calling into question the legitimacy of the Communist Party itself.

The five modernizations

Under the rubric of the “four modernizations,” a slogan launched by the late Chou En-lai in 1974 encompassing agriculture, industry, science and technology, and defense, Teng has initiated a wide range of radical policy shifts that constitute a general repudiation of Maoism. For industry, Teng has placed managers in charge again, made productivity and profits the criteria of success,

stressed improving quality of products, and called for an end to small labor-intensive plants in favor of large capital-intensive ones in many fields. For the labor force, he has reintroduced bonuses and wage incentives for high productivity, cancelled the frequent and time-consuming political study sessions in factories, and called on workers to take pride in and responsibility for their work. Things as elementary to all other countries as legally binding contracts governing transactions between factories are being introduced. And in agriculture, peasants are being allowed to enlarge their private plots, regional markets are being reopened, and remuneration for collective farm labor has been put on an output, not a time, basis.

Equally as important as these, however, is what deserves to be called the “fifth modernization,” modernization of thought (see p. 12). For the last year and a half, basic science and technology have been emphasized as having the utmost importance for China's future. Recently it was announced that over 600,000 science centers would be set up across the country to teach popular science to the peasants. Other campaigns have been launched for everything from learning from foreign literature to the need for “socialist democracy” and a socialist legal system (China has no legal codes in any field to date).

Soviets to U.S.:

In their first public response to President Carter's Dec. 15 announcement that the U.S. will recognize the People's Republic of China, the Soviet party daily Pravda said Dec. 19: “The present renewal of diplomatic relations between the U.S. and China is not only a historical necessity. It must also be a contribution to the future cause of peace in Asia and the whole world.”

While avoiding the Brzezinski bear-trap set to disrupt their detente policy toward the U.S., the Soviets clearly warned the China card players of the danger of their game. On the same day as Pravda's response to the Sino-U.S. thaw, another Pravda commentator, Beglov, warned: “The harsh lessons of history remind that blind reliance on anti-Sovietism always ends in tension and war and the first victims turn out to be the instigators of such opportunist policies and their countries.”

The Soviets have often chosen the British appeasement of Hitler as an example of such “opportunism” aimed at creating anti-Soviet military adventures. A Soviet television program aired after the Carter announcement again pointed at Britain. The “Tragedy of China” showed British Chief of Defense Staff Sir Neil Cameron embracing Chinese leaders and calling the Soviet Union “our common enemy.”

However, even before Carter's formal announcement the military daily Red Star was warning against incorporating China into a new anti-Soviet military alliance.

The economic bind

Most of these measures, however, only go to undo the Maoist damage and return the country to the status quo ante of 1957, when Mao launched his madcap "Great Leap Forward." Dealing with modernization has proved far more difficult. In addition to the Cultural Revolution and the Communist Party factional situation, the regime is headed for a severe economic crunch. It can only sustain the support of its working class on the condition that living standards are allowed to rise. But the massive demand for reinvestment of capital will make it next to impossible to grant any significant general pay increases for many years.

As a partial solution to this problem, in the space of a few short months the regime has entirely abandoned Mao's proscription against taking foreign loans, and has begun contracting debts into the billions. At the same time it has imported, or intends to import, a series of mammoth industrial projects, especially in coal and steel. Across the board, it is soliciting foreign investment in joint companies, and apparently intends to use its as yet undeveloped off-shore oil for many of the payments.

So much has been noted, but the potential dangers have not. It is not clear how well-thought-out or competent the economic planning behind these projects is; very little

planning has gone on for a decade. If other nations' experience is any guide, China's normal import bill will rise astronomically in the wake of the present round of construction of new plants. How will this be sustained? Is China already overextending itself in foreign loans?

Even more important, what will be the domestic costs? Can the population assimilate the rapid pace of foreign capital acquisition? What about the social disruptions occasioned by rapid industrialization, including an inevitable flood of people to the cities such as caused a crisis once before in 1958? If the breakneck pace of foreign capital installation leads to breakdowns in the process sheet of production, can this breed disillusionment with the whole process?

One ominous development in this regard has been the strong Chinese interest in the so-called Yugoslav model of development. As applied in Yugoslavia, this has not only led to an economic crisis and diminishing productivity, but to centrifugal tendencies that could tear the country apart. The Chinese leaders, desperate to inculcate enthusiasm in the population without having to provide much material reward, apparently are bedazzled by the seeming ability of the Yugoslav model to arouse this enthusiasm by so-called "worker participation" in management.

World peace at stake in China policy

In his Red Star article of Dec. 17, "NATO for Asia?" Col. A. Leontiev writes:

... The present U.S. administration has worked out a new strategy for Asia and the Pacific Ocean, which is viewed as a further growth of American military might in that region, and at the same time a strengthening of the partnership with Japan and China.

Now in the USA it is not only Tokyo, but also Peking which is referred to as the "fulcrum" of its strategy in Asia. Furthermore, the idea of creating a military-political bloc composed of the USA, Japan and China is now being proclaimed there. China's contacts with Japan and the USA are developing in such a way that specialists are talking about the origin of a "trilateral alliance," writes the *New York Times*...

Everyone is entitled to choose their own allies according to their own tastes. In his day, the Fuehrer bragged that he was ready to ally with the devil himself, so long as he emerged victorious. But the Fuehrer was a man obsessed. Are not certain gentlemen becoming like him, who intend to enter a coalition with those who are calling openly for a new world war, whose adventurism, duplicity, political unprincipledness and treachery is known to all the world?...

The advocates of creating a "NATO for Asia" stand on one and the same anti-Soviet and anti-socialist platform. The only difference between them is that in

Washington and Tokyo they call the Soviet Union "the most likely enemy," whereas in the Chinese capital they call it "enemy number one." But they are both dreaming about the liquidation of the revolutionary gains of the peoples, a new recarving of boundaries, and the establishment of their hegemony in Asia, and see in the Soviet Union the main obstacle in their path...

The widely proclaimed "unanimity" cannot conceal the fact that each of the participants (in the proposed bloc — ed.) views its partners as solely temporary, tactical allies...

Three-quarters of the territory of the USSR is located in Asia, and naturally our people are vitally interested in consolidating security in this region of the globe. The Soviet Union acts so that international detente can be deepened and broadened, so that it can be spread to the most populated continent of the planet — Asia. "Peace, quiet, being spared from interference from outside, good-neighborly relations — that is what Southeast Asia and the Asian continent as a whole, the countries of the whole world, particularly need," said Comrade L.I. Brezhnev in this regard recently.

Attempts by the enemies of detente to forge a new military bloc and at the same time to complicate the situation in the Far East demand from us unflinching vigilance, constant readiness to guard the interests and security of the Homeland.